

TOP SECRET
RUFF ZARF

3 December 1980

MEMORANDUM FOR THE RECORD

Staff Meeting Minutes of 3 December 1980

Mr. Carlucci chaired the meeting. []

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[] called attention to the Evans and Novak column on NIE 11/3-8 which appeared in today's Washington Post. Ford commented that the article was full of misinformation. []

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In response to Mr. Carlucci's question, Clarke said that the Alert Memorandum on Poland had been issued. McMahon told Mr. Carlucci that we have no information yet on what decision the Soviets have made regarding intervention. []

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Fitzwater reported that Congresswoman Schroeder (D., CO) has sent letters to the D/OMB and to individual agencies requesting official information about bonuses under SES; CIA has not received a letter yet. Mr. Carlucci suggested that if we receive a letter we should respond to Congresswoman Schroeder telling her CIA reports on the bonuses to our committees. []

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Fitzwater noted that there could be demonstrations today against the CIA recruiter at Brown University. Fitzwater left the meeting. []

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[] reported that he and Lipton spent two hours with the transition team on 2 December and discussed the CIA budget and supplementals. The transition team was interested in the Reserve for Contingencies and asked for a paper. [] noted that RMS also had been asked by the transition team for a paper on the Contingency funds and was in the process of coordinating it with the Comptroller's office. []

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Hetu reported that NSA was sending a group to CIA to discuss the mechanics of the Publication Review Board; NSA is in the process of establishing their own Board. Hetu noted, to date, there have been 139 submissions to the CIA PRB this year. []

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Clarke discussed a request NFAC received from the NSC for a delay of 48 hours in publishing a NID item on Nicaragua; because David Aaron was out of town, Mr. Carlucci said that he is not in favor of inordinate delays in the publication of NID articles and instructed that we publish. []

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Hitz reported that the appropriations conference will continue today and will cover the [] supplemental and the differences between the House and Senate committees on the collection systems. It appears that there is movement towards the Senate figures. []

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Wortman reported that his session with Congressman Brooks (D., TX) on the "Federal Privacy of Medical Information Act" did not go well. (See OLC Daily Summary attached.) Wortman told Brooks he would report back to him. Mr. Carlucci said Hitz or Wortman should get back to Brooks. []

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Attachments:
As stated

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OFFICE OF CURRENT OPERATIONS NEWS SERVICE

Date: 2 Dec. 1980
Item No. 2
Ref. No. _____

DISTRIBUTION II.

FBC-EVANSNOVAK-12-02

NOTE TO EVANS-NOVAK SUBSCRIBERS:

ROWLAND EVANS OF THE EVANS-NOVAK TEAM WILL LEAVE SHORTLY FOR A WEEK OF REPORTING FROM CRISIS-TORN POLAND AND WEST GERMANY. HIS REPORTS FROM POLAND WILL CONCENTRATE ON THE POSSIBILITY OF SOVIET INTERVENTION IN THAT COUNTRY AS WELL AS THE EFFECTS OF THE ECONOMIC CRISIS AND TRADE UNION MOVEMENT.

FROM THERE EVANS WILL CONTINUE ON TO WEST GERMANY TO REPORT ON THE SHAPE OF THE NATO ALLIANCE AND RELATIONS BETWEEN THE U.S. AND WEST GERMANY DURING THE COMING REAGAN ADMINISTRATION.

IN EVANS' ABSENCE, ROBERT NOVAK WILL CONTINUE REPORTING ON EVENTS IN WASHINGTON.

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INSIDE REPORT

RELEASE WEDNESDAY, DECEMBER 3, 1980

BY ROWLAND EVANS AND ROBERT NOVAK

TRUTH FROM THE CIA

WASHINGTON -- THE TOP-SECRET, YEAR-END INTELLIGENCE REPORT ON THE U.S.-SOVIET STRATEGIC BALANCE, THE GRAVEST SINCE WORLD WAR II, IS GETTING FINAL TOUCHES -- AND, FOR A CHANGE, NO MAJOR DISSENTS -- BEFORE BEING SENT TO PRESIDENT CARTER AND PRESIDENT-ELECT REAGAN SHORTLY.

BETWEEN THE LINES, THE REPORT FROM ADM. STANSFIELD TURNER, DIRECTOR OF THE CENTRAL INTELLIGENCE AGENCY (CIA), DEMOLISHES HOPES OF THE ARMS CONTROL LOBBY THAT A NEW ARMS LIMITATION AGREEMENT (SALT) SOMEHOW CAN RESTORE THE STRATEGIC BALANCE OF POWER. ONE OFFICIAL FAMILIAR WITH ITS DETAILS TOLD US THE REPORT SPELLS THIS OUT: GROWING SUPERIORITY OF SOVIET STRATEGIC MISSILES CAN ONLY BE OVERCOME BY "NEW PRODUCTION, NOT NEW CONTROLS."

KNOWN AS NATIONAL INTELLIGENCE ESTIMATE 11-3-8 COVERING THE NEW YEAR OF 1981; THE REPORT IS THE FIRST IN SEVERAL YEARS TO EMERGE FROM THE INTELLIGENCE COMMUNITY WITHOUT SERIOUS DISSENT FROM THE CIA'S TURNER. "THE ADMIRAL HAS HARDLY ANY FOOTNOTES," ONE INSIDER SAID. FOOTNOTES ARE THE TRADITIONAL MECHANISM FOR DISSENTERS TO REGISTER DISAGREEMENTS WITHOUT FORCING MAJOR REVISION IN THE MAIN TEXT. FOR THE PAST THREE YEARS, TURNER AND SOME OF HIS SOVIET SPECIALISTS HAVE EITHER BEEN FEROCIOUS FOOTNOTE WRITERS; OR HAVE BEEN THE TARGETS OF PROFUSE FOOTNOTES BY PENTAGON REALISTS.

THE CIA'S TENDENCY TO DOWNPLAY SOVIET PROGRESS IN OUTSPENDING AND OUTPRODUCING THE U.S. IN THE WEAPONS OF STRATEGIC WARFARE HAS NOT BEEN LIMITED TO THE CARTER ADMINISTRATION. BESET BY INTERNAL FEUDS; THE CIA IN 1976 HIRED OUTSIDERS (KNOWN AS "TEAM B") TO HELP ITS OWN EXPERTS PREPARE THE NIE 11-3-8 COVERING THE FIRST YEAR OF CARTER'S PRESIDENCY.

SINCE THEN, TURNER'S DISSENTS TO THE FINDINGS OF OTHER AGENCIES HAVE TENDED TO DILUTE THE FINAL PRODUCT. THUS; THE ESTIMATE FOR 1981 NOW GETTING FINISHING TOUCHES IS THE FIRST IN YEARS SOLIDLY BACKED BY BOTH CAREER AND POLITICAL OFFICE-HOLDERS IN THE INTELLIGENCE COMMUNITY.

THEIR AGREEMENT SHOWS THAT DEBATE OVER SOVIET SUPERIORITY HAS BEEN RESOLVED IN FAVOR OF EXPERTS WHO WERE ONCE CALLED ALARMIST BY THE ARMS CONTROLLERS. THOSE ARM CONTROLLERS; IN TURN; ARE FORCED INTO THE BACK SEAT.

TO THE INCOMING PRESIDENT; THE MORE THAN 350 PAGES OF NIE 11-3-8 WILL MAKE FRIGHTENING READING; FOR ALL OF HIS CAMPAIGN PROMISES TO BUILD U.S. STRATEGIC STRENGTH BACK TO "A MARGIN OF SAFETY." THE REPORT CONTRADICTS THE MAJOR CARTER ADMINISTRATION CLAIM THAT THIS NATION'S STRATEGIC STRENGTH GIVES IT "ESSENTIAL EQUIVALANCE." THAT WAS A DUBIOUS CONCLUSION WHEN IT WAS FIRST PRONOUNCED NEARLY FOUR YEARS AGO AND ONE NOW TORN TO SHREDS IN THE NEW INTELLIGENCE ESTIMATE.

TEARING IT TO SHREDS WERE CARTER'S REPEATED DECISIONS SLICING OFF AND DISCARDING ONE STRATEGIC PROGRAM AFTER ANOTHER. THEY INCLUDED THE B-1 PENETRATION BOMBER; THE NEUTRON WARHEAD FOR THE DEFENSE OF WESTERN EUROPE; ACCELERATED DEVELOPMENT OF THE BIG LAND-BASED MX MISSILE; THE TRIDENT SUBMARINE AND CRUISE MISSILES.

CARTER'S THESIS WAS THE HEART OF ERROR: WE DON'T NEED THESE SYSTEMS BECAUSE WE ALREADY HAVE ESSENTIAL EQUIVALANCE; WHAT WE NEED IS ARMS CONTROL.

INSTEAD: WARNINGS ISSUED WHEN CARTER BECAME PRESIDENT HAVE PREMATURELY BORNE THEIR BITTER FRUIT. HE WAS WARNED THAT THE U.S. WOULD FACE A "WINDOW OF VULNERABILITY" BY THE MID-'80S EVEN IF HE ORDERED FULL SPEED AHEAD ON THESE DISCARDED SYSTEMS. HE DID NOT; AND THE "WINDOW" IS NOW PREMATURELY OPEN. REAGAN HAS LITTLE CHANCE TO CLOSE IT DURING HIS FIRST TERM.

THIS REALITY EXPLAINS WHY REAGAN'S NATIONAL SECURITY INSIDERS WERE SO ANGERED BY THE DISTORTION OF REAGAN'S SALT POSITION GIVEN THE WEST GERMAN BUNDESTAG BY CHANCELLOR HELMUT SCHMIDT. THIS REALITY MAKES A GROTESQUE OUT OF SEN. CHARLES PERCY'S MESSAGE TO SOVIET PRESIDENT LEONID BREZHNEV THAT REAGAN PLACES THE HIGHEST PRIORITY ON A SALT ACCORD.

THE NEW NIE 11-3-8 STUDY OF THE STRATEGIC BALANCE MOCKS SUCH PLEASANTRIES. REAGAN WILL ASSUME OFFICE AT A TIME OF GRAVEST DANGER TO THIS NATION. NOTHING BUT DIPLOMACY AND PERHAPS A LITTLE BRAVADO STAND BETWEEN U.S. SECURITY AND SOVIET POWER TO WIPE OUT U.S. LAND-BASED MISSILES AND BOMBERS WITH A SINGLE COUNTERFORCE ATTACK.

ARMS CONTROL TALKS; OR EVEN AGREEMENTS THAT ELIMINATE MAJOR HAZARDS FROM CARTER'S DYING SALT II TREATY; CANNOT RECTIFY THE STRATEGIC IMBALANCE THAT TURNER IS ABOUT TO DOCUMENT FOR CARTER AND REAGAN. THE CIA'S FINDINGS LEAVE ONLY ONE ROUTE TO SAFETY: PRODUCTION OF NEW WEAPONS SYSTEMS; WITHOUT ANY SPEED LIMIT.

ENDIT EVANSNOVAK

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Page 3 of 3

EXCERPT FROM OLC SUMMARY dtd 2 December 1980

1. On 1 December the House, by an overwhelming vote of 259 to 97, rejected attempts by Representative Jack Brooks (D., TX), Chairman of the House Government Operations Committee and Representative Richardson Preyer (D., NC), Chairman of the Committee's Subcommittee on Government Information and Individual Rights, to suspend the Rules and pass H.R. 5935, the "Federal Privacy of Medical Information Act." (U)

The Bill, as reported by the Government Operations Committee and the Committee on Foreign and Interstate Commerce, contained a provision (Section 129), crafted by OLC attorneys working in conjunction with FBI representatives and the staffs of the House Government Operations Committee and Permanent Select Committee on Intelligence, which recognized the delicate balance that must exist between the rights of individuals to be assured that certain information about themselves will remain confidential and the legitimate and lawful access to such information needed by the Intelligence Community to fulfill its foreign intelligence collection and foreign counterintelligence missions. Inclusion of Section 129 in the Bill allowed us to fully support that version of H.R. 5935 reported by the Government Operations and Commerce Committees. (U)

However, after consideration by these two Committees, the Bill was referred to the Ways and Means Committee where an amendment to Section 120 (entitled "Right of Medical Care Facilities to Refuse Disclosure") was adopted without any consultation with the Intelligence Community or the HPSCI staff and without any testimony or public record having been taken. The operative effect of this new amendment was to destroy the balance otherwise crafted in Section 129 in that a very vague, broad-sweeping category of "information relating to psychiatric, psychological or mental health examination, care, or treatment..." could have been and, indeed, was encouraged to be withheld by a medical care facility "as it finds appropriate". (U)

After Government Operations staff refused to delete the troublesome amendment, OLC attorneys accompanied by FBI representatives briefed the Chief Majority and Minority HPSCI Counsels who, after consultation with the Chairman and Ranking Minority Members, circulated a "Dear Colleague" in opposition to the Bill. In addition to HPSCI Chairman Boland (D., MA), joined on the Democratic side by Representative Romano L. Mazzoli (D., KY), and Ranking Minority HPSCI Member J. Kenneth Robinson (R., VA), other Members voicing opposition to the Bill on matters unrelated to intelligence were Representatives John N. Erlenborn (R., IL), Henry J. Hyde (R., IL) and M. Caldwell Butler (R., VA). (U)